

AGENDA ITEM X-B (9)

Consideration of a request from Texas A&M International University for a Doctor of Philosophy (PhD) degree with major in International Business Administration

RECOMMENDATION: Approval and authorization to implement a Doctor of Philosophy (PhD) degree with major in International Business Administration. Staff recommends approval with the understanding that within three years the institution will submit a report confirming the presence of faculty and other resources consistent with institutional commitments. The report will also provide an assessment of student progress.

Goal(s): Research, Excellence

The proposed doctoral program could become a center of excellence for the institution and provide a basis for pursuit of research grants on International Business.

BACKGROUND AND PROGRAM DESCRIPTION

Texas A&M International University (TAMIU) proposes to create a doctoral program in International Business Administration. It would be the institution's only doctoral program. Its Texas-Mexico border location provides an opportunity for research due to the huge amount of cross-border business transactions. (Laredo is the largest dry port in the United States.) TAMIU already conducts significant activities in international business at two facilities (Western Hemispheric Trade Information Center and The Center for the Study of Western Hemispheric Trade) that would strengthen the proposed program by providing offices for visiting research scholars, offering access to the trade data library, hosting an annual International Business Conference, publishing a monthly *Western Hemispheric Trade Digest*, and conducting a monthly speaker series. The College of Business Administration was admitted into candidacy in 1995 for accreditation by the Association to Advance Collegiate Schools of Business (AACSB) and in 2002 attained initial accreditation.

In addition to studying international business, the proposed program would require all students to declare a second functional area concentration (i.e., Accounting, Management Information Systems, Economics, Finance, Management, Marketing, or Transportation/Logistics) to create a more diversified (and more marketable) graduate. The principal objectives of the proposed program are to prepare future faculty members, as well as managers and executives who can shape business organizations in the future.

NEED

Employment Opportunities

Most of the opportunities for employment for graduates of this PhD program would be found in academia. Three sources of academic jobs were reviewed by staff in February 2004. *The Chronicle of Higher Education* listed ten faculty positions in International Business; *The Academy of International Business* listed 22 positions; and *The International Assembly for Collegiate Business Education* listed four administrative and 14 faculty positions. These 50 positions illustrate a reasonable national demand for future TAMIU graduates. Further, since the graduates will have a second functional area concentration, numerous other positions would be appropriate to pursue.

Projected Enrollment

TAMIU plans on admitting six new students to the program each year for the first five years.

Existing State Programs

There are three public universities in Texas that offer PhDs in International Business (The University of Texas at Dallas, The University of Texas at El Paso, and The University of Texas-Pan American). Those programs have produced a total of 28 graduates in the past five years. The closest program is at The University of Texas-Pan American, approximately 150 miles from Laredo.

QUALITY AND RESOURCES

Faculty

TAMIU has 26 full-time faculty in the College of Business Administration who would contribute to the PhD program. The faculty members all have PhDs and are actively engaged in research. The institution plans to hire five new faculty over five years to fulfill expected research and instructional growth (\$1,260,000).

Other Personnel

The institution plans to provide graduate assistantships for up to 21 students in the first five years (\$1,100,000). Two clerical/staff positions would also be added (\$115,000 over five years).

Facilities, Equipment, and Library Resources

Facilities are adequate. Equipment costs (furniture, computers, and peripherals) would be \$290,000 over five years. Library resources upgrades (books, periodicals, data bases) would cost \$352,725 over five years.

Supplies and Materials Five-year costs are projected to be \$31,466.

Accreditation The TAMIU College of Business Administration is currently accredited by The Association to Advance Collegiate Schools of Business (AACSB). TAMIU intends to expand its accreditation to include the PhD.

Educator Certification Program Rated “accredited” by State Board for Educator Certification.

FIVE-YEAR COSTS			SOURCES OF FUNDING	
Personnel ¹	New:	\$2,475,000	Reallocated Funds	
	Reallocated:	<u>\$1,588,000</u>		\$1,588,000
	Subtotal:	\$4,063,000		
Facilities, Equipment, and Library Resources		\$642,725	Anticipated New Formula Funding	\$645,432
Supplies and Materials		\$31,466	Special Item Funding ³	\$7,656,250
Other ²		\$710,000	Other Funding	\$0
Est. 5-Year Costs		\$5,447,191	Est. 5-Year Revenues	\$9,889,682

The Chief Executive Officer of the institution has certified, and staff has determined, that the institution will have funds sufficient to support the proposed program. Because of the current economic hardships of the state, the staff re-confirmed the institution’s financial and resource commitments to the program at the time these materials were written (March 2004).

Estimated formula funding generated by the institution in years three through five of the proposed program would total \$645,432.

¹ Faculty, clerical/staff, and administration

² Travel and conference attendance for faculty and graduate assistants

³ Legislative support for TAMIU’s doctoral program. The institution as a whole is significantly reliant on the continuation of special item funding. In Fiscal Year 2004, \$9,633,733/\$37,466,724 (25.7%) of TAMIU’s state funding comes through special item funding. (That reliance on special item funding is about twice the state average for public universities.)